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Paper 159

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5 U.S. PATENT AND TRADEMARK OFFICE

6
7 BEFORE THE BOARD OF PATENT APPEALS
8 AND INTERFERENCES
9

10 ELAZAR RABBANI, JANNIS G. STAVRIANOPOULOS, JAMES
11 J. DONEGAN, JACK COLEMAN AND MARLEEN WALNER,

12 Junior Party
13 (Application 10/306,990),
14 v.
15

16 TSUGUNORI **NOTOMI** and TETSU HASE,
17 Senior Party
18 (Patent Nos. 6,410,278 B1 and 6,974,670 B2)
19

20
21 Patent Interference 105,427 (McK)
22 Patent Interference 105,432 (McK)
23 (Technology Center 1600)
24

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27 Before FRED E. McKELVEY, *Senior Administrative Patent Judge*,
28 RICHARD TORCZON and JAMES T. MOORE, *Administrative Patent*
29 *Judges*.
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31 The above-entitled matter came on for hearing on Wednesday,
32 March 5th, 2008, commencing at 1:59 p.m., at the U.S. Patent and
33 Trademark Office, 600 Dulany Street, Alexandria, Virginia.

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A P P E A R A N C E S

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1 PROCEEDINGS

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3 JUDGE TORCZON: We're here for an oral argument on
4 priority in two different -- well, just one interference, 105,427.

5 JUDGE McKELVEY: They're consolidated.

6 JUDGE TORCZON: Still consolidated? And 105,432. And
7 Judge McKelvey is ready to go?

8 JUDGE McKELVEY: I'm ready to go. Can we have the
9 parties introduce who is with them?

10 JUDGE TORCZON: Okay.

11 MR. SCHULMAN: Good afternoon, this is Robert Schulman
12 for the Junior Party, Rabbani. I have my co-counsel, Gene Rzucidlo. And
13 then Alex Spiegler, an associate at Hunton & Williams; and Ricky
14 Henderson, who is also an associate at Hunter and Williams; Jim Donegan,
15 who works for the company ENZO and is one of the named inventors; then I
16 have Ronald Fedus, who is counsel for ENZO Biochemical.

17 MR. BRETSCHNEIDER: I'm Barry Bretschneider, lead
18 attorney for the Senior Party. With me at counsel is backup attorney Peter
19 Davis.

20 Behind me, as the Board views us from left to right, is Mr.
21 Masahiro Saito of the intellectual property department of Notomi. The
22 gentleman next to Mr. Saito is Dr. Notomi, the lead inventor for the party
23 Notomi. Next to Dr. Notomi is Ms. Yuko Matsutoya, who is outside
24 Japanese counsel for Eiken. And next to Ms. Matsutoya is Dr. Takamitsu
25 Fujiu, who is an associate of Morrison and Foerster.

26 JUDGE McKELVEY: Thank you. We'll hear from Mr.
27 Rzucidlo or Mr. Schulman first.

1 MR. SCHULMAN: Thank you. Obviously, I represent the
2 Junior Party, Rabbani, and I'm here today to discuss how we made an actual
3 reduction to practice of the invention falling within the counts prior to the
4 effective date that the Party Notomi has been granted in the present
5 interference.

6 I want to say as an initial matter -- I'm about to go through the
7 count itself -- as an initial matter, obviously, what we have to do today is
8 prove that we made the invention of the count. And that that means an
9 actual reduction to practice of a subject matter of account.

10 And we're in a little bit of a quagmire. I just want to alert the
11 Board to it. In a sense, we're in a quagmire because by its prior holding, the
12 Board has already said that we do not, in our priority applications, which are
13 two of them before the application in interference, have a constructive
14 reduction of practice of a species falling within the count.

15 Yet the application in interference is in *ipsis verbis* identical to
16 the two priority applications for which we've already been denied benefit of
17 even a single species within the count.

18 So we have to presume because this interference is continuing
19 that the Patent Office is holding that the application in interference does
20 have a constructive reduction of practice of at least a species falling within
21 the count, or we'd be wasting each other's time right now even talking
22 because there would be no common subject matter to discuss.

23 And we would be in here talking about who has priority to an
24 invention that is common when there is no common invention because our
25 application in interference would have no common invention to determine
26 priority over.

1 JUDGE McKELVEY: Mr. Schulman, what is the difference
2 between claim 216 and your application in the count? Anything?

3 MR. SCHULMAN: The different between 216 and my count is
4 claim 216 does not have that "wherein" clause, whereas the count does have
5 the "wherein" clause, but the point --

6 JUDGE McKELVEY: It is perfectly possible that your claim
7 216 is supported in your involved application, but the count is not.

8 MR. SCHULMAN: It is.

9 JUDGE McKELVEY: It is possible.

10 MR. SCHULMAN: It is perfectly plausible, but I think the
11 point is that by having concluded that the application -- the exact identical
12 application in interference does not have a constructive reduction of species
13 of the count, it is not like we could even write up a claim or have anything --
14 there is no common subject matter if you don't have even support for a
15 single species falling within the count in our application interference.

16 So this is just --

17 JUDGE McKELVEY: The Board held your claim was
18 supported, did it not?

19 MR. SCHULMAN: The Board --

20 JUDGE McKELVEY: Your claim was supported. They
21 disagreed with Bretschneider and said claim 216 is supported in your
22 involved application.

23 MR. SCHULMAN: The Board held that claim 216 was
24 supported in my claimed application -- in my current application.

25 JUDGE McKELVEY: There is no question -- I mean, an issue
26 of no interference-in-fact has not been raised on this record that your claim
27 and Notomi claim 1 or 11 don't interfere.

1 MR. SCHULMAN: I did not raise -- you are absolutely
2 correct. I did not raise an issue of no --

3 JUDGE McKELVEY: So there is no inherent inconsistency
4 with your claim being supported but you not having a written description in
5 apparent case of the scope of the count.

6 MR. SCHULMAN: Well, I understand that I can have a
7 written description of my claim corresponding to the count. And as you
8 correctly point out, Judge McKelvey, we did have support for claim 216,
9 which you found for us and disagreed with Mr. Bretschneider on that issue.

10 I'm simply pointing out that once you held and the Board held
11 that there was no support for even a species falling within the count of either
12 of our two priority applications, it is simply a matter -- it simply follows that
13 we cannot have a constructive reduction to practice falling within the count
14 within the four corners of the application that itself is in interference.

15 So yes, claim 216 is supported, but you're holding that the
16 application in interference does not have a single constructive reduction to
17 practice falling within the count, which then puts us in the quagmire that I
18 can prove to your complete satisfaction that I have a constructive reduction -
19 - or an actual reduction of practice going back a few years.

20 And then you're going to say, Well, that is not in the priority
21 application or in the application we already held at.

22 We have two choices --

23 JUDGE McKELVEY: You're exactly right. That is what Mr.
24 Bretschneider is arguing. Tell me, if it is not described in the priority
25 applications, what is the evidence you didn't suppress or conceal?

26 MR. SCHULMAN: The evidence we didn't suppress or
27 conceal relates to the facts that the entire interference is based on a process

1 involving the use of two novel primers which are used in an isothermal
2 amplification process. And the only thing, if anything, that was, quote,
3 unquote, abandonment, suppressed or concealed was mechanism, which was
4 inherently happening anyway.

5 What we found out when we went through our notebooks, and
6 I'm about to discuss with you in great detail, is that we have notebooks that
7 show all the steps in the application that are carried out.

8 We even in the notebooks have a bit more mechanism in the
9 notebooks than was provided in the application that is in interference,
10 because after we had carried out the experiment and shown it is essentially
11 amplified a sample of interest, Dr. Donegan and his co-inventors went back
12 and said, Wow, this works really great.

13 We're observing this certain phenomenon and see what
14 mechanism can show those phenomenon.

15 A couple of months after all of the steps of the inventions were
16 done, we went and made that observation and proposed some of the exact
17 mechanism that appears in the Notomi application. I just wanted to raise the
18 issue.

19 The second issue I'll briefly raise and then --

20 JUDGE McKELVEY: I want to stay on this first one for a
21 while.

22 MR. SCHULMAN: Okay. I'm with you.

23 JUDGE McKELVEY: On suppression and concealment. Tell
24 me, if your theory is correct, then don't you prevail, say, on an appeal on the
25 basis that your parent and grandparent, in fact, have a constructive reduction
26 of practice of account?

1 MR. SCHULMAN: If my theory is correct, that certainly
2 would be one way we would prevail on an appeal.

3 JUDGE McKELVEY: There is no proof by Notomi that they
4 made an invention prior to the grandparent date, correct?

5 MR. SCHULMAN: Yeah. If I could show you that all those
6 mechanistic steps are inherent once you put two novel primers into a system,
7 then there is no abandonment, suppression or concealment, and we have the
8 invention before Notomi.

9 JUDGE McKELVEY: You have a reduction to practice, and he
10 has no date ahead of you. So you win.

11 MR. SCHULMAN: That is absolutely correct.

12 JUDGE McKELVEY: Without getting into suppression and
13 concealment, period. It is not an issue. If we're wrong --

14 MR. SCHULMAN: If you're wrong --

15 JUDGE McKELVEY: -- on the constructive reduction to
16 practice.

17 MR. SCHULMAN: If you're wrong on the issue constructive
18 reduction of practice, then the abandonment, suppression, concealment goes
19 away.

20 JUDGE McKELVEY: If you'll play along with me for a
21 moment.

22 MR. SCHULMAN: Absolutely.

23 JUDGE McKELVEY: Let's assume that you do not have a
24 constructive reduction to practice; that we got that right.

25 MR. SCHULMAN: Okay.

26 JUDGE McKELVEY: Then what -- how do you justify that
27 you revealed the invention to the public?

1 MR. SCHULMAN: If I -- if you got it right that we do not
2 have a constructive reduction of practice of even a single species falling
3 within the count, then we have no invention to contest priority over because
4 there is no common invention. You have -- a prerequisite determining
5 priority of a common invention is a common invention.

6 JUDGE McKELVEY: Are you going to concede for me just so
7 that I can get this on the record, if you don't have a constructive reduction of
8 practice, you have no evidence that you -- or tell me, would you concede
9 that there is a suppression or concealment of the thing you reduced to
10 practice, if you don't have a constructive reduction of practice?

11 MR. SCHULMAN: This sounds like an important question so I
12 want to make sure I get it right. You're saying -- I want to answer you
13 accurately.

14 So you're saying I get -- so I have my filing date of the
15 application in interference, which is the third in the chain, but the Board is
16 proven right that I am not entitled to benefit for my first application or for
17 my second application because I don't have a single species that constitutes a
18 constructive reduction of practice.

19 Am I willing to then admit that I have an abandonment,
20 suppression or concealment?

21 JUDGE McKELVEY: Just a suppression or concealment. I'm
22 not worried about abandonment.

23 MR. SCHULMAN: I would certainly say that we have,
24 between our actual reduction to practice and the application in interference,
25 that we have a 57-month hiatus, and certainly that is going to be problematic
26 under most situations.

1 I would, however, say that even forgetting the fact that we think
2 once you put the two novel primers in the system, the train is leaving the
3 station, even forgetting that part, we would still say, by filing those
4 applications, we clearly show that we were not suppressing or concealing.

5 Because at most, the thing we would have been suppressing or
6 concealing are a couple of theoretical mechanisms as opposed to the process.

7 There is something you can't lose sight of in these entire cases.
8 No one set out -- either the other party, Notomi, or us -- to make a structure
9 with a third loop. That is not why people made this invention. The purpose
10 of this invention was to carry out an isothermal amplification process, if we
11 look at the count number 1.

12 And the whole point here is that we did that, we did it doing the
13 exact same things they did, using the exact same proofs they used to show
14 we did it. The only difference is they provided a little more detail in terms
15 of the proposed mechanism that explains it.

16 We would say we never had the obligation -- you're not
17 obligated to put the mechanism by which your invention works in the patent.
18 Your -- what you have to do is put things in there so it is described and it is
19 enabled and it has utility. And we fully did that. It speaks volumes.

20 JUDGE McKELVEY: Does the count have the mechanism?

21 MR. SCHULMAN: Count number 1 has lots of mechanism in
22 it.

23 JUDGE McKELVEY: So all limitations in the count are
24 material so that if you -- I can agree with you in principle. You don't have to
25 know why your invention works. Once the count says it works in a
26 particular way, then you have to prove yours works in that particular way,
27 don't you?

1 MR. SCHULMAN: We have to show that our steps, that we do
2 would give rise to the mechanism set forth in the count if the count sets forth
3 the mechanism.

4 JUDGE McKELVEY: You have to appreciate that is how it
5 worked, too, at that time; is that not correct?

6 MR. SCHULMAN: We would have to appreciate that we are
7 getting an amplification step and -- when I go into the priority, I will go into
8 more detail about this. But actually, I would say there -- when something is
9 an inherent result of a process, there doesn't have to be full
10 contemporaneousness appreciation of the mechanism.

11 I don't want to go too much into case law just yet, but even the
12 Hankel case, which just came out this year, says that.

13 So I would say that certainly we have to show that the steps in
14 the count are going to result from the steps that we're doing, but I would say
15 that I take issue with the fact that we would have to -- when something is
16 inherent, that we would have to have contemporaneously appreciated the
17 exact mechanistic way.

18 We knew what we were getting. We knew what it was doing.
19 We were getting the same product. We were getting the same goal. We
20 even had most of the mechanism in our notebook. In fact, it is amazing.

21 JUDGE TORCZON: Aren't the mechanisms limiting?

22 MR. SCHULMAN: No.

23 JUDGE TORCZON: They're not limiting.

24 MR. SCHULMAN: They're not limiting. Once you get --

25 JUDGE TORCZON: Why did you leave them in the count?
26 Wouldn't getting rid of them have solved your problem?

1 MR. SCHULMAN: We copied claims in order to provoke the
2 interference. If we adopted the language that Notomi had used in order to
3 get into the interference because we knew that the use of two -- the whole
4 invention is two novel primers with these two regions, that they're then
5 subject to a target and then it is isothermal amplification. Once you do that,
6 the train is leaving the station.

7 JUDGE TORCZON: The train leaving the station is a
8 metaphor that doesn't explain the problem I'm having here. The problem I'm
9 having -- and since I wasn't on the original panel, you guys are talking over
10 my head to a certain extent.

11 MR. SCHULMAN: It is very complicated.

12 JUDGE TORCZON: That is what I'm trying to figure out,
13 though, because it doesn't seem that complicated to me. We have a count.
14 The count lists certain things in it. And if we ignore those things, we know
15 Mr. Bretschneider is going to go argue Eaton versus Evans and we'll get
16 reversed.

17 We have to deal with those. And the question is, if they're
18 important, the fact that you don't have them seems to me to be a problem. If
19 they're not important, then why are they in the count? They seem to be
20 causing problems. If you really did mess up, why are we still here? Why
21 didn't you go seek judicial review? This seems like an empty exercise if
22 everything turns --

23 MR. SCHULMAN: I appreciate that.

24 JUDGE TORCZON: -- on whether or not we messed up
25 earlier.

1 MR. SCHULMAN: Understand. Part of the answer to your
2 question is that we do think that we show the mechanism in our notebooks,
3 and that is the next part I'll go into.

4 The first answer to your question is our notebooks do amply
5 demonstrate the mechanism that you're going to see in the counts. We can
6 answer that in the affirmative anyway.

7 The second part is once you do the step A -- and the notebooks
8 will show this necessarily occurs -- we have evidence in the notebooks going
9 into mechanism that we didn't feel was necessary to put into the application
10 because we viewed it as inherent. But we understand we can't be taking on
11 our word for things at the Patent Office, especially when we're the Junior
12 Party.

13 So the reason we didn't go for immediate judicial review is
14 because one of the things that was said in the initial proceeding was, Well,
15 we don't see the third loop in your application, and therefore, we're denying
16 you benefit in your priority application based on the formation of this third
17 loop.

18 Lo and behold, our notebooks show that contemporaneously
19 with Dr. Donegan and his co-inventors carrying out this process, we actually
20 got the third loop. And it is right there in black and white in the notebook
21 showing the third loop and providing explanation as to why we get the third
22 loop, and then we have explanation for the next steps.

23 So the reason we did this is because we thought that the
24 notebooks would convince the Board and show the Board that this was
25 merely mechanism that was going to happen anyway.

26 Because before we even knew about their cases and looked at
27 their patent application, looked at their claim and looked at the count, we

1 had already independently put in a mechanism which matches up with the
2 mechanism they proposed. It was our hope that by doing that, it would be
3 able to advance the case.

4 JUDGE TORCZON: It seems we're getting back to the point
5 that Judge McKelvey wanted to stick on. That is, if it was always there, it
6 seems to me that that is a complete answer to the benefit motion. Well, it is
7 there.

8 MR. SCHULMAN: Absolutely.

9 JUDGE TORCZON: Well, so either you proved that or you
10 didn't, and if you didn't prove it, then why are we here?

11 MR. SCHULMAN: You're saying if we don't get benefit, then
12 it is difficult to see why we're here because if you conclude that none of the
13 applications in interference provide a constructive reduction to practice of
14 even a single species falling within the count, if you conclude that, then it is
15 hard to say why we are here because then there is no common invention.

16 Why do we determine priority? We determined priority
17 because two different entities said they made an invention first, and that
18 presupposes they made a common invention first.

19 The second you hold to that ruling that we don't have a
20 constructive reduction to practice of even a single species falling within the
21 count, then there is nothing to adjudicate, and your rhetorical question -- I'll
22 answer even though it was rhetorical -- is I don't know why we're here at that
23 point because, at least on count 1, because at that point there is no
24 interference-in-fact.

25 JUDGE TORCZON: It seems to me, though, there are two
26 flaws in the argument you're making. The first, of course, is the interference
27 is about claims, not what is in the disclosure. You could have disclosed

1 something completely unrelated and you're claiming the same thing as an
2 interference.

3 The second point here, though, is there seems to be a
4 circularity. The argument is that there was no -- is that there was
5 abandonment, suppression or concealment. And you're saying there couldn't
6 have been because if there was, there wouldn't be an interference, but that is
7 sort of circular. That doesn't answer the question on whether there was an
8 abandonment.

9 So one possible answer to this set of facts is ENZO suppressed.
10 So there is no -- where is the contradiction? There is no logical
11 contradiction.

12 MR. SCHULMAN: In terms of the interference-in-fact on the
13 one hand?

14 JUDGE TORCZON: Yeah.

15 MR. SCHULMAN: Well, I guess it seems to me when you
16 have an interference, the prerequisite of having an interference is that two
17 parties have, at least, a constructive reduction of practice of a common
18 invention somewhere in the specification. And the way the Board --

19 JUDGE McKELVEY: That is not correct because each party
20 can have a constructive reduction to practice of their claimed invention, and
21 those claimed inventions can interfere. I mean, Aloni v. Arnie where the
22 claimed subject matter was mutually exclusive, there was no overlap at all,
23 and there was an interference.

24 You don't have to have a common constructive reduction to
25 practice. You have to claim an invention that interferes with the other folks'
26 invention, and there has to be an interference-in-fact between those two
27 inventions.

1 Now, I've got a follow-up to Judge Torczon's question. I mean,
2 Mr. Schulman, one simple solution to this case is just to concede you did
3 suppress, and we'll give you a final judgment. And you can, if you'd be so
4 advised, pursue the benefit issue on review.

5 I mean, just make -- saves me writing an opinion, but I'm
6 willing to write an opinion and my colleagues are, too. But I just put that
7 out there because it is just with the way you say the case should go, that we
8 shouldn't be here.

9 MR. SCHULMAN: Well, I would not just concede that we
10 suppressed for a couple of reasons. Number one, I would like to actually go
11 into my priority case and show what is in the notebook and how the steps
12 followed through in the application.

13 And number two, I would still say -- and there is case law to
14 this effect -- that we were still pursuing the invention of amplification,
15 putting the same reagents together that form the same thing as is being
16 recited in the count.

17 And merely because we didn't put the mechanism in, I would
18 still say by following the applications and going through, that there was no
19 suppression or concealment.

20 Finally, we all know that this is an intensely factual issue and
21 there are no set dates or times in which one can determine suppression or
22 concealment. So that would be my --

23 JUDGE McKELVEY: Okay. Let me ask one more question
24 about suppression and concealment. My colleagues may have other ones.
25 What I want to make sure is that -- there is some argument that you folks
26 weren't on notice about how to deal with suppression and concealment. And

1 I want to make sure that you don't have a procedural objection to the way
2 this was brought up in the interference.

3 You'll recall we had a conference call, and I suggested that one
4 way to raise suppression or concealment by the Senior Party is to object to
5 the evidence of the Junior Party under Paulik and Rizkalla. And then
6 alleging suppression or concealment, and therefore, the evidence is
7 irrelevant under the Federal Rules of Evidence to which the Junior Party
8 may respond by supplementing.

9 Do you have any problem with that procedure?

10 MR. SCHULMAN: In other words, we would be given the
11 opportunity to respond, to provide evidence of no suppression or
12 concealment. Am I following correctly?

13 JUDGE McKELVEY: If a party objects to the admissibility of
14 evidence in your direct case, one option for you is to file supplemental
15 evidence, and you have a right to do so.

16 MR. SCHULMAN: Okay.

17 JUDGE McKELVEY: Mr. Bretschneider objected.

18 MR. SCHULMAN: Okay.

19 JUDGE McKELVEY: No more evidence came in. I want to
20 be sure you're not maintaining there is some procedural due process denial
21 here.

22 MR. SCHULMAN: We're not maintaining a procedural due
23 process denial right now.

24 JUDGE McKELVEY: Okay. Unless my colleagues have some
25 more questions about suppression, you can go on to --

26 MR. SCHULMAN: Okay. The only other point I would make,
27 for example, if you look at count number 2, which was the count that had the

1 "wherein" clause in which the Board in the first instance determined
2 required active displacement using pusher primers.

3 I would simply point out that we did have that claim in our
4 application, which went into interference, and specifically had the pusher
5 primers, but that claim was canceled by the Board sue sponte before the
6 interference even began.

7 We also did have claims to the third loop, which are the subject
8 of the count right now, and those claims were also canceled. I would point
9 to that as further evidence of the fact that we did not have a suppression or
10 concealment of the invention.

11 JUDGE TORCZON: Were those in your earlier applications?

12 MR. SCHULMAN: No, those were not in our earlier
13 applications. And I can tell you they were put in before the interference was
14 provoked, and I can also tell you in the ex parte context, the examiner
15 examining them, did find them to have written description.

16 That is why they went into the interference. But procedurally
17 when we went into the interference, those particular counts were removed.

18 JUDGE TORCZON: Were they original claims to the involved
19 application?

20 MR. SCHULMAN: I don't know that I remember that. The
21 consensus seems to be we don't think so. But I've got to be honest with you,
22 I'm not 100 percent certain on that.

23 Just to briefly go through sort of this roadmap to our actual
24 reduction to practice to get into that. And looking -- I'd like to focus
25 specifically right now on count number 1 of the particular case. And
26 particularly, right now I'm focusing -- if you take a look at count 1, you can
27 see it has steps A through E.

1 And what you'll notice is that A is the active step of providing a
2 template, and it describes the particular structure of the template in portions -
3 - in subpart 1 and in subpart 2 and in subpart 3.

4 And this is basically -- you know, like I said, in step A of the
5 invention, which is what we say -- makes what we would call the double
6 hairpin. And then the steps B, C and D follow that, which we say kind of go
7 off on their own once step A is carried out.

8 If you take a look at the proofs we have provided, the Party
9 Rabbani at the very first designed primers having sequences engineered such
10 that the molecules produced in an amplification reaction using these primers
11 would be capable of forming stem loops at each end. That goes to part A of
12 the count.

13 I'd like to refer you specifically to tab 1A of the demonstratives,
14 which I handed to you. And opposing counsel has been given those also.

15 And in that particular instance, you will see that we have what
16 is called Model C Short Interval, and you can see right there two
17 oligonucleotide sequences were developed. And in addition to that, you see
18 below that a particular sequence which comes from a HPV.

19 And you've got to understand something about molecular
20 biology, which is, you know, the structure is going to dictate what happens
21 here, and these primers were specifically designed to hybridize with this
22 particular structure down here.

23 These particular ones were designed so that they would
24 hybridize, they would then extend and ultimately form the double hairpin
25 that we talked about. That particular part is shown right there at tab 1A.

26 If we actually continue on tab 1A, you'll notice there are -- a
27 little heading called Amplicons listed, and you'll see an A, B, C and D.

1 And C clearly corresponds to what C is in that model C that is
2 above. And you can see the word "amplicons" is written there. And this
3 predicts based on the sequence of the target that -- it predicts what will be
4 obtained if things follow in their expected course.

5 So this was really the providing part, if you look at the count.
6 Then if you go on to what happened on January 29th, 1998, which is tab 1B
7 in your particular demonstrative, you'll see that -- you know, first, what did
8 we do? We designed. And we designed based on well-and-trench laws of
9 hybridization and extension.

10 January 29th, 1998, you'll see that we produced a predicted
11 amplicon, or you could call it a template, at which point Dr. Donegan
12 performs a PCR experiment using HPV template and four pairs of primers.
13 Among those pairs were the FC and RC, which we've referred to as model
14 C. That is set forth right in the notebook page that is attached to that
15 particular exhibit.

16 At this point, we've done exactly so far what the count is saying
17 to do prior to the Notomi date. Then you can see if you go to tab 1C that the
18 resulting amplification products were run on a 4 percent gel, and only the FC
19 and RC primers worked, meaning that the observed product was the
20 predicted 200-base per molecule.

21 So it is clear that the amplification reaction was successful in
22 producing molecules consisting of the target HBV sequence, flanked by
23 sequences capable of forming stem loops.

24 You understand when we went into this experiment, we had our
25 target sequence, we had primers designed based on that target sequence,
26 based to extend and based to fall back on themselves, based on 50, 60 years

1 of molecular biology, understanding base pairing and understanding
2 conditions necessary for polymerization and necessary for hybridization.

3 And Dr. Donegan designed these things, and all these
4 experiments are showing is what happened in here is exactly what was
5 planned when we did this in meeting with step A of the count.

6 Then if you go to, you know, tab 1E of the demonstratives, that
7 shows that now we've got the double stem loop, the double hairpin, and Dr.
8 Donegan performed an isothermal DNA amplification reaction using the FC
9 and RC primers and the PCR product from the prior experiment as a
10 template. That is shown right in that particular notebook entry that you can
11 see.

12 Now, how do we know it was isothermal? We know it was
13 isothermal because the Bst polymerase was used, and that has got to be used
14 isothermally. By the way, it is the same polymerase that Notomi used in its
15 particular case.

16 We also know that it is a standard displacer, and one of the
17 elements of the count is that we have to have displacement.

18 So here we designed the primers exactly in accordance with the
19 count, we put them on a target, we used the polymerase, we did it
20 isothermally, we used a polymerase that has strand-displacement activity as
21 exactly recited in step B. At that point, we can say we've got all the
22 ingredients there that are going to allow the reaction to go through.

23 So we've designed the experiment at this point and we've run
24 the experiment at this point, and everything that has happened has been
25 completely consistent with what we expected when by designed the primers.

26 Then when you go to tab 1E, you can see that that is when Dr.
27 Donegan and his co-inventors began the confirmation step. In other words, I

1 designed these things and ran these things. Now, I want to see that what
2 happened is exactly what one skilled in the art would have thought would
3 have happened.

4 And in fact, he got that confirmation. Tab 1E shows a
5 particular gel. And there are a couple of things that are very interesting here.
6 We get a ladder and the ladder shows, because it is a ladder, we're getting
7 molecules formed of different size. That is completely consistent with
8 formation of concatemers.

9 Another very, very important thing that we're observing here
10 and directly repudiates something their expert, Dr. Joyce, said is that we're
11 getting a target-dependent synthesis right here. And you can see if you go to
12 the actual notebook where it reports results, Dr. Donegan
13 contemporaneously concludes that there is target-displacement
14 amplification.

15 And he knew that because he did a series of dilutions in this
16 particular experiment, and the amplification intensity increased or decreased
17 depending on the serial dilutions.

18 And if it had been garbage as Dr. Joyce had proposed, then the
19 higher amplification would not correlate with a higher concentration of
20 target. More target, more amplification. The amplification has to be a
21 target-dependent amplification. That is verification of the thing occurring
22 that we said was occurring.

23 Further confirmation can be found in that Dr. Donegan recorded
24 in his notebook that while the gel, quote, unquote, doesn't look good, the
25 lowest band of the ladder looks like it is in its appropriate space, i.e. at
26 approximately 200 base pairs, and this shows that a single-unit amplicon
27 was produced.

1 Remember in the beginning of our whole exercise, we talked
2 about a 211-amplicon starting and that is what we would have expected. So
3 Dr. Donegan is saying, I'm basically getting the result I would have
4 expected. So we have further confirmation. And again, meeting part of the
5 count that talk about forming that new template and displacing that
6 particular template.

7 Further confirmation is shown in tab 1H of your demonstratives
8 where we show only small-molecular-weight spots indicating that we got
9 concatemer, and a brighter and distinct set of bands, again, showing the
10 formation of concatemer.

11 In other words, after we subjected this to particular restriction,
12 the particular products were broken up, which was into unit part, smaller
13 unit part consistent with something growing, growing, growing forming
14 more and more loops. Then you apply a restriction enzyme to it and it
15 breaks up. And this gel basically shows that you've got exactly the product
16 you would have expected.

17 Now, that was all done in this January/February timeframe, and
18 then a few months after that, which is still before the Notomi date, Dr.
19 Rabbani -- or the Party Rabbani actually proposed a mechanism explaining
20 exactly what was happening.

21 And that can be found -- if you look, for example, at tab 2E of
22 your demonstratives, and you see that there is some writing there, and Jack,
23 who is one of the co-inventors, you can see that Jack has come up with the
24 theory that we have zigzags caused by self-priming of hairpins.

25 Now, we're getting into what even Notomi has argued is a
26 critical limitation of this count, which is the fact that you are getting the
27 process occurring that causes formation of that third loop. And so we say

1 we're observing these zigzags, which means this thing is growing bigger and
2 bigger and bigger, then the inventors go back contemporaneously and
3 propose this particular mechanism.

4 That is where you can see it -- where they actually draw the
5 picture of what they say is the normal product, and you can see in that
6 particular normal product in that tab, the double hairpin, which is exactly in
7 accordance with the count.

8 And furthermore, you can talk about -- you can see --

9 JUDGE McKELVEY: Did they -- excuse me, Mr. Schulman.
10 Is this a theory -- a conception of some mechanism or is it a reduction to
11 practice of a mechanism?

12 MR. SCHULMAN: It is a verification of the process they
13 already had running a couple of months earlier. Remember, the goal here is
14 amplification.

15 JUDGE McKELVEY: I guess my question was, is it a
16 theoretical verification or an experimental verification?

17 MR. SCHULMAN: I believe it was an experimental
18 verification because it was based on observation on gels and the fact that the
19 gels conclusively showed that they were forming concatemer, and that when
20 they digested it, they were getting smaller units.

21 Basically, as I'm told by the inventor, it is an explanation of
22 experimental results, I think is the most accurate way to portray it to you.

23 You can see, even though I don't think -- one would have felt
24 that they had to, we got the process to go, and we got the amplification we
25 wanted. We got the amplification to go isothermally.

26 This was all done in a January and February timeframe. And
27 based on observations -- specific observations with respect to the gels that

1 we obtained and the results we obtained, we were able -- again, before we
2 saw anything of Notomi's -- we were able to propose the mechanism. And
3 lo and behold, there is your third loop right there.

4 And Dr. Donegan suggested in his notebook that the high-
5 molecular-weight DNA was a result of a repeating polymer that kept being
6 added on. So this proposed self-priming mechanism explains exactly how
7 the high-molecular-weight DNA, i.e. the numerous bands that appeared
8 above the expected 210 base-pair band.

9 JUDGE McKELVEY: What limitation in the count does this
10 last discussion of yours deal with where asked whether it was theoretical or
11 experimental?

12 MR. SCHULMAN: It deals with a couple of the limitations.
13 One, it deals with the formation of the third loop, which is set forth in
14 element B of the count. If you see at the very end, in which under suitable
15 conditions anneal to one another to form a third loop.

16 And it also relates to the fact that elements C, D, and E --
17 because what we've shown is that after that third loop is formed, we then
18 have extension products, elongation of products being formed, so you're
19 annealing to the loop and the further extension of it.

20 And ultimately, as evidenced by that double hairpin that was
21 shown in the notebook, we're showing that we're getting a new template --
22 that we're forming a new template, as set forth in step D, and displacing the
23 new template, as is set forth in step E.

24 JUDGE McKELVEY: So then the new template is the double
25 hairpin?

1 MR. SCHULMAN: Yes. As you can see, Judge McKelvey, it
2 says the normal product in that notation right next to that double template --
3 the double hairpin in that particular exhibit.

4 JUDGE McKELVEY: Okay.

5 JUDGE TORCZON: Now, if this is an explanation of
6 experimental results, why in the second line from the bottom does it simply
7 say "could explain"? They don't seem to be quite as certain about -- this
8 seems to be more like a guess than a statement of, Eureka, we got it.

9 MR. SCHULMAN: Actually, they clearly indicate they did get
10 the process to run in several places.

11 JUDGE TORCZON: Right. But when they talk about the
12 zigzag mode explaining -- this gets back to, I guess, Judge McKelvey's
13 question about, you know, what this page actually shows.

14 MR. SCHULMAN: I think you have to read in context. They
15 clearly say "essentially," and then they show these triple -- keeps being
16 added on. And you can see they actually draw the picture of a concatemer
17 forming, so while you have -- while you have that language you refer to, I
18 mean, it is stated pretty definitively, for example there, that you keep adding
19 this on.

20 And you see the "word normal" product there next to the double
21 hairpin, and there is not a lot of tentativeness in the expression of the normal
22 product.

23 I mean, the one thing you have to understand about this is --
24 and this is something even Dr. Joyce acknowledged, which is, you know,
25 primers don't have brains. I mean, primers are basically things that operate
26 by, you know, thermodynamics. There is a very well-established rule on
27 base pair and pairing -- of base pairing.

1 And once you've designed these two sets of novel primers
2 under conditions that are suitable for hybridization and annealing, the
3 sequences are the sequence, and the primer doesn't say, Okay, I've gone
4 through my first step and now I'm going to stop.

5 Primer knows one thing. When the primer is in there, it knows,
6 Am I finding something complementary to myself? If I'm finding the thing
7 complementary to myself, I'm going to anneal to it, and with the polymerase
8 present under the right condition, I'm going to extend. And with the design
9 self-complementariness that causes fallback, things are going to snap off,
10 things are going to snap on.

11 This is an incredibly dynamic system. And I should tell you
12 that the proofs that we relied on are the exact same proofs that Notomi relied
13 on, which was they did a restriction digest -- they showed concatemers, they
14 did a restriction digest to show they split up.

15 So when they propose their mechanism in their application, it
16 was two scientists who clearly knew what they were doing, looking at the
17 same types of experimental proofs and drawing the same conclusions as to
18 what had to be happening in there.

19 And again, when the primer goes in there, the primer is going to
20 be doing its thing and the primer -- it is designed, remember -- it is designed
21 to hit the target, it is designed to be self-complementary, and all of this
22 dictated once you set the structure of those primers and they go to work.

23 Even their expert admitted, you couldn't stop this thing if you
24 wanted to. Once you stuffed those two novel primers into a system with a
25 sample and it is going, you couldn't stop it even if you wanted to. These are
26 incredibly dynamic systems.

1 In hindsight, do we wish we had put more mechanism in there
2 given where we are right now? Would have been great. But the point is,
3 this is simply the mechanism of what was happening once you already put
4 those primers into the system. That is basically where we are.

5 JUDGE McKELVEY: Mr. Schulman, do you want to talk
6 about count 2? You have about five more minutes.

7 MR. SCHULMAN: I'll talk very briefly about count 2.

8 We obviously took issue with the Board's construction of the
9 claim, but obviously we know we can't reargue that one right now. That one
10 will have to be --

11 JUDGE McKELVEY: You mean construction of the count?

12 MR. SCHULMAN: You're correct. Construction of the count.
13 I stand corrected. But that, obviously, is going to be for another day.

14 But we would say, at the very least, the main difference that
15 was argued by the Party Notomi was the fact that their invention of count 2
16 required that displacement, which required a pusher. And initially we told
17 you, Well, they had a dependent claim directed to pusher, so their
18 independent had to be broader than that anyway. That didn't fly very well.

19 The only other argument I'll make with you right now is the fact
20 you now have claim 216, which doesn't require the displacement interfering-
21 in-fact with their claim 1, which does require the displacement.

22 By the Board's own logic, the two types of systems would be
23 obvious in view of each other, and once you have those two different types
24 of templates, it is going to go ahead anyway. That would be our main
25 argument on count 2.

26 The final point --

1 JUDGE McKELVEY: You could have moved to take this out,
2 couldn't you, the displacement step 3?

3 MR. SCHULMAN: We could have moved for that, but it has
4 been held we don't have support for that particular thing.

5 JUDGE McKELVEY: Okay.

6 MR. SCHULMAN: So that is --

7 JUDGE McKELVEY: Judge Rich once said the life of a patent
8 solicitor is a difficult one. I'll just make that observation, and we'll go on
9 from there.

10 MR. SCHULMAN: I can tell you I understand where he was
11 coming from.

12 JUDGE McKELVEY: Okay.

13 MR. SCHULMAN: Do I have a couple of minutes in reserve?

14 JUDGE McKELVEY: Sure. Are you done, essentially?

15 MR. SCHULMAN: I think I'm done for the moment. I think
16 Mr. Bretschneider is chomping at the bit.

17 JUDGE McKELVEY: You can have a moment in reserve.
18 We'll hear from Mr. Bretschneider now.

19 MR. BRETSCHNEIDER: Good afternoon. May it please the
20 Court.

21 JUDGE TORCZON: Good afternoon.

22 MR. BRETSCHNEIDER: It is kind of difficult to know
23 exactly where to start since we didn't --

24 JUDGE McKELVEY: Why don't you start -- we'll help you
25 out here.

26 MR. BRETSCHNEIDER: Thank you, Your Honor.

1 JUDGE McKELVEY: There was an argument of some sort
2 that based on these lab notebooks, we now know something is inherent in
3 the process described in the benefit cases --

4 MR. BRETSCHNEIDER: Well, the difference --

5 JUDGE McKELVEY: -- and I would appreciate your
6 observations on that.

7 MR. BRETSCHNEIDER: There are many difficulties with that
8 line of argument. One of the main difficulties is that Mr. Schulman gave a
9 very interesting presentation, but unfortunately, Dr. Donegan, the declarant
10 and coinventor, who was the testifier on the subject, and the lab notebooks
11 themselves don't actually discuss these points.

12 If you compare Mr. Schulman's explanation of things with what
13 Dr. Donegan said about the same things, you'll see that Dr. Donegan didn't
14 say much at all in line with what Mr. Schulman explained to you was the
15 case.

16 For example, let me just give you a few --

17 JUDGE McKELVEY: Would you like to cross-examine Mr.
18 Schulman? Is that what you're saying?

19 MR. BRETSCHNEIDER: Not at all, Your Honor. We're very
20 happy to rest on the state of the record as it was presented.

21 Just to give --

22 JUDGE McKELVEY: So what you're saying is we got -- the
23 story today from Mr. Schulman is not the testimony of Dr. Donegan?

24 MR. BRETSCHNEIDER: That is right. And it is also not
25 supported by the laboratory notebooks.

1 I think the Board collectively focused on a very important
2 point. I just wanted to illustrate my position with respect to page 27 of
3 Rabbani Exhibit 1074, which is tab 2E of the demonstratives.

4 I think the Board observed very correctly that this particular
5 page sets forth a theory. If you look at the first line on that page, it says, to
6 the best of my ability to read handwriting, One of the things we haven't
7 clearly established is the nature of the high MW -- that is molecular weight -
8 - DNA that appears after amplification.

9 This is dated June 10, 1998, which, by the way, is exactly two
10 weeks to the day before Rabbani's first patent application was filed. Even as
11 of that time, they didn't know what they were getting.

12 Then Jack, that is, Dr. Coleman, one of the co-inventors, has
13 come up with the theory that we have zigzags caused by self-priming of
14 hairpins. Then there is a discussion all the way through of this theory.

15 A theory -- and I wanted to point out in the argument -- a theory
16 is like a hope. In Rabbani's reply, they argue -- I think this is on page 8, line
17 13, and following -- Rabbani argues that Notomi --

18 JUDGE McKELVEY: Page 8, you say?

19 MR. BRETSCHNEIDER: Page 8.

20 JUDGE McKELVEY: Of the reply?

21 MR. BRETSCHNEIDER: Lines 13 and following.

22 Rabbani argues, Notomi's insistence that Rabbani perform
23 additional experiments to confirm or test Dr. Coleman's theory has no legal
24 or scientific basis. Indeed, Notomi does not point to a single case to support
25 its position.

26 Well, a couple of things here. First of all, a theory is not a
27 permanent understanding of how something actually works. It is an idea,

1 perhaps, but it doesn't constitute contemporaneous recognition that a
2 mechanism occurred. It is an idea. This may be the way it works.

3 There is a case -- it is not directly related to this -- but the
4 Hitzeman case, which is cited on page 3 of Notomi's opposition 4, relating to
5 the need for contemporaneous appreciation of the invention.

6 It goes to the question of whether an inventor's expressed hope
7 that an invention would work was a sufficiently established, sufficiently
8 permanent idea of the invention that it would constitute conception.

9 JUDGE TORCZON: Mr. Bretschneider, is the mechanism
10 limiting?

11 MR. BRETSCHNEIDER: Yes, it is.

12 JUDGE TORCZON: All of it?

13 MR. BRETSCHNEIDER: I believe it is, Your Honor. I think
14 that Judge Torczon's earlier point about the limitations -- and I think Judge
15 McKelvey may have said this as well about the limitations to the count being
16 material. We have to take that as a given.

17 The problem here is Rabbani has the burden of proof --

18 JUDGE TORCZON: Actually, I wasn't talking about taking it
19 as a given. The question is, is it, in fact, limiting?

20 MR. BRETSCHNEIDER: Yes.

21 JUDGE TORCZON: Is it, in fact, inherent?

22 MR. BRETSCHNEIDER: Not that we know. In fact, Dr.
23 Joyce testified in his declarations there are other ways to produce the same
24 results that Rabbani observed than the way of doing it as set forth in the
25 counts.

26 JUDGE TORCZON: It seems to me that one of the things that
27 the current case runs the risk of is some further adjudication in which

1 somebody looks at this and says, Well, wasn't the Board just being
2 hypertechnical here?

3 Assuming we gave you a decision, I mean, what would you do
4 when ENZO goes out, as they most certainly would, and says, you know, All
5 of this stuff -- all of this stuff we have -- I mean, it is either -- it naturally
6 falls out of the process.

7 And, you know, the fact that it was in the count, that is really
8 just a technicality here because it -- it was happening anyway.

9 MR. BRETSCHNEIDER: Well, let's take count 2 as an
10 example of this. And we discussed this -- I know Your Honor was not a
11 member of the original panel. This was actually an issue that was relevant to
12 the question of whether there was a disclosure of the species of count 2 and
13 either of the parent applications.

14 And that is the question of whether in the process of count 2,
15 the displacement of the extended primer is carried out beginning from where
16 that extended primer first annealed to the template.

17 Now, in the Notomi process, which is disclosed in the Notomi
18 patents, Notomi -- and Mr. Schulman referred to this -- uses what are called
19 outer primers that come in and actually knock off the extended template
20 from that point.

21 The Rabbani applications -- and this is related to the decision
22 on count 2 by the Board -- don't show this. They show instead a situation
23 where the -- where the extended templates kind of pop off and the
24 displacement as such doesn't begin until quite a bit down the road from
25 where the point of annealing took place.

26 These are actual differences. This is not a matter of
27 technicality. This is not a matter of technicality, and count 1 -- we didn't

1 have to argue this during the substantive motion phase -- in count 1, there
2 are differences as well.

3 Frankly speaking, I don't think the Board should worry about
4 the consequences of decisions so much as render a correct decision on the
5 record that you have before you.

6 JUDGE TORCZON: Speaking of presumption, I'm presuming
7 we will do that.

8 MR. BRETSCHNEIDER: I would. In this case, it is Notomi's
9 very strongly expressed hope that the Board decides this case strictly on the
10 record because the problem in this case from Rabbani's perspective is the
11 record doesn't support Rabbani's position.

12 Dr. Donegan may now realize nine years -- is it nine years --
13 almost ten years after the fact now that this -- that such an invention may
14 have been done. Rabbani provoked this interference by copying claims from
15 a Notomi patent that was issued before Rabbani's application 2002
16 application was even filed.

17 One can argue that Rabbani's proof -- burden of proof as to
18 count 1 is by clear and convincing evidence. Count 2 was copied from the
19 second Notomi patent at issue, which is after Rabbani's 2002 filing date.

20 The fact of the matter is Rabbani is trying to get claims of
21 Notomi's invention where, in fact, A, Rabbani's prior applications do not
22 disclose Notomi's invention, and B, they didn't actually make Notomi's
23 invention. We have to look at what the record is here.

24 There is a lot of supposition, but the fact of the matter is, if you
25 look at the evidence in this case, they didn't prove what they were supposed
26 to prove. We did demonstrate to the satisfaction of the Board that there were

1 no constructive reductions to practice to count 1 or 2 in the parent
2 applications. That is done.

3 As far as the Board's comments about abandonment,
4 suppression and concealment are concerned, I'm willing to answer questions
5 on that, but I think the Board understands the issue very well.

6 What I'd like to do, though --

7 JUDGE McKELVEY: Could you confirm something for me?
8 Apart from ENZO relying on the two -- or the grandparent case, I'll call it,
9 the first Rabbani application or first ENZO application, do they -- have they
10 argued any other activities, such as commercializing the invention or taking
11 any other steps to make it known to the public?

12 MR. BRETSCHNEIDER: They have not. And in fact, Your
13 Honor, they have admitted the antithesis.

14 If you will look at fact finding 141 through 148 in Rabbani
15 reply 4, you will see that those eight fact findings together represent
16 Rabbani's admission that Rabbani's declarants -- Dr. Donegan, Dr. Coleman,
17 Mr. Fedus and Dr. Kelker -- did not present any testimony that Rabbani ever
18 publicly sold or used embodiments of the invention of counts 1 and 2 or ever
19 commercially exploited those inventions.

20 The applications are the only things upon which Rabbani is
21 relying to overcome the presumptions of abandonment, suppression or
22 concealment, and you can see that on page 12, lines 7 through 12 of Rabbani
23 reply 4. That is it.

24 Rabbani does argue, Your Honor, that there is no fixed length
25 of time that constitutes abandonment -- that would raise the presumption of
26 abandonment, suppression or concealment. It would seem in Peeler v.

1 Miller if 48 months was unreasonably long, then 57 months is unreasonably
2 longer. And there is no explanation for this.

3 The fact of the matter is you can't show activity with respect to
4 an invention by filing an application when the application doesn't disclose
5 even a single species within the scope of that invention. I think the
6 argument answers itself. I think the argument answers itself.

7 JUDGE McKELVEY: Could you -- go ahead.

8 MR. BRETSCHNEIDER: I'm done.

9 JUDGE TORCZON: Let's assume for the sake of argument
10 that we disagree with your characterization of ENZO's priority case and we
11 do find they have a reduction to practice. So it all comes down, then, to a
12 suppression and concealment scenario. At that point, don't we have a
13 problem with the inherency?

14 MR. BRETSCHNEIDER: No, you don't. There are a couple of
15 reasons. First of all -- and when we're talking about tab 2E of Rabbani's
16 demonstratives, I'd like to -- there is an interesting point about this. Rabbani
17 makes a big deal of this page about the theory of how the -- about the
18 mechanism. It is dated June 10th, 1998.

19 Rabbani's application was filed June 24th, 1998, and Rabbani
20 thought so much of this theory that they omitted it from the application. I
21 can't exactly remember where in the -- I'll find it somewhere, but Rabbani
22 argues that, Well, our notebooks even disclose more than our application
23 pointing to this very page.

24 If this is such an important part of demonstrating that the
25 disclosures of Rabbani's applications demonstrate possession of the
26 invention, the fact is that Rabbani made a conscious decision to leave it out.
27 And why is that? Because it wasn't established.

1 In the reply brief and in today's argument, the Board heard
2 repeatedly the statement that Rabbani had the mechanism. They
3 demonstrated the mechanism. They illustrated the mechanism.

4 You heard Mr. Schulman said that Dr. Donegan confirmed that
5 this was an experimental verification. That is not of record. I don't believe
6 that that is really true.

7 If it were true -- and I think Judge Torczon pointed this out
8 directly -- then why would it say in the next-to-last line, This zigzag mode
9 could explain the accumulation of larger DNA -- whatever that says.

10 JUDGE TORCZON: One of his arguments is that this shows
11 they had the mechanism. A different argument that they have is that the
12 mechanism is inherent in any case. So that is really the basis of my
13 question.

14 If they, in fact, had the process, they're doing all the steps and
15 the mechanism is just something that happens when you follow the steps,
16 why don't we have a problem?

17 MR. BRETSCHNEIDER: You don't have a problem for two
18 reasons. First of all, they never raised this point before, so it is a new issue
19 as of today. And there is no evidence to support it. Those are the basic
20 issues.

21 You do not have a problem, Your Honor, because there is no
22 evidence to support such a finding. If that was Rabbani's position, then they
23 would have had to prove by fair and convincing, or a preponderance
24 depending on the time, that that, in fact, was the case.

25 And there is no evidence to support that in the record. None
26 whatever. In fact, if there had been -- if there had been, in Rabbani motion
27 4, then we would have had a chance to combat that.

1 I would also note, Your Honor, as my colleague, Mr. Davis,
2 pointed out to me and as, I think, I mentioned earlier, there is evidence of
3 record from Dr. Joyce, Notomi's witness, that there are other mechanisms
4 that can be responsible for this data. And in fact, during the substantive
5 motions phase of this case, he explained those other mechanisms.

6 So not only is -- this is a new issue at this stage in the case. It is
7 not supported by Rabbani's evidence, and it is rebutted by evidence that
8 Notomi presented in the substantive motion phase. I do not believe you
9 have a problem at that point.

10 JUDGE McKELVEY: Mr. Bretschneider?

11 MR. BRETSCHNEIDER: Yes, sir.

12 JUDGE McKELVEY: Could you take me through count 1 and
13 2 and tell me where the mechanisms are, in your opinion?

14 MR. BRETSCHNEIDER: I wasn't exactly prepared to discuss
15 that issue, Your Honor, but I will do it. I need to find my papers with the
16 counts on them so I can walk through. Would you just --

17 JUDGE McKELVEY: In context, the argument by Mr.
18 Schulman was that his claim 216 differs from the counts 1 and 2 in that the
19 mechanisms aren't set out. So in essence, I guess I'm asking, what is the
20 difference between claim 216 of Rabbani and counts 1 and 2?

21 MR. BRETSCHNEIDER: One of the differences is, as Mr.
22 Schulman pointed out to the Board, that claim 216 does not contain the
23 "wherein" clause, which is clause 7 in count 2. And claim 216 -- as I say, I
24 don't -- Mr. Schulman -- by the way, thank you -- did give me a copy of the
25 counts.

26 Claim 216 isn't quite as detailed as the two counts taken
27 together, and it doesn't have the "wherein" clause. So as far as mechanism is

1 concerned, this is a -- these counts are processed counts. By definition, they
2 set forth mechanisms. They set forth steps.

3 And the particular elements of each count have to be satisfied
4 for one to show that one has actually reduced the invention to practice. The
5 providing limitation in count 1 is a standard one. Extending the three
6 terminal of the template to the five -- prime end of template by means of
7 polymerase, et cetera, is an explanation of mechanism. That is how the
8 process takes place.

9 Step C, annealing to the first loop of the extended template and
10 the oligonucleotide compromising at the third prime terminal and et cetera,
11 that, of course, is a statement of mechanism. And then in step D, it is the
12 same thing.

13 It is a little difficult for me to divorce mechanism from process
14 steps in the context of the Board's question.

15 JUDGE McKELVEY: Let's take count 1, step C. The
16 annealing has to take place in this manner as far as you're concerned, and
17 they have to prove that they did it in this manner in order to show an actual
18 reduction to practice.

19 MR. BRETSCHNEIDER: I think that is correct, Your Honor.

20 Now, let me compare -- on this particular point, I'd like to refer
21 the Board to paragraph 3 of Rabbani Exhibit 1077, which is Dr. Donegan's
22 declaration, which is supposed to support --

23 JUDGE McKELVEY: Paragraph 33?

24 MR. BRETSCHNEIDER: Yes. On page 9, Your Honor.

25 JUDGE McKELVEY: Okay.

1 MR. BRETSCHNEIDER: And one of the issues that we had in
2 the briefing was that the -- is that the testimony is primarily in the present
3 tense.

4 If you look at paragraph 32, he says -- Dr. Donegan says,
5 Accordingly, I believe -- this is as of July of 2007 -- that a strand-switching
6 event has been the mechanism performing the high-molecular concatemers
7 found in numerous isothermal reactions since February 4, 1998. As of July
8 of last year, that he has believed this has always been, not that he believed it
9 at that time.

10 Let's go to the next paragraph. I also believe that steps A
11 through E of count 1 took place during these reactions.

12 Then you go and Dr. Donegan explains step A. He explains
13 step B. Now, look at what he says about step C. He says, A primer would
14 bind to a single-stranded loop portion, step C, and by extension, create a
15 complementary copy, step D.

16 If you look at the notebook pages, which are earlier explained
17 in Dr. Donegan's declaration, he doesn't show us anywhere in the laboratory
18 notebooks where, in fact, that was observed. And if you look at this, all this
19 means is that right now, in July 2007, that is what I think would happen.
20 There is no evidence whatsoever that Rabbani recognized they were doing
21 this.

22 Rabbani made an invention. Rabbani has a number of patents
23 that derive from this original disclosure. That is fine. They're entitled to
24 those patents. The question is, are they entitled to patents containing claims
25 corresponding to counts 1 and 2?

1 And on this evidence, there is no reason to believe that Rabbani
2 either made the invention or had any recognition that they had made the
3 invention.

4 It is pretty clear they didn't. The most they have is a theory that
5 within two weeks of the expounding of the theory was considered
6 sufficiently unpersuasive, that it didn't make it into Rabbani's first patent
7 application and hasn't shown up in any patent applications since then.

8 There are a couple of other issues that I just wanted to mention.
9 We've had some arguments about evidence in this case.

10 And I just wanted to point out that the quality of evidence is
11 important, and as far as I know, when one is in a trial, one presents the
12 evidence and explains to the trier of fact -- or to the judge if it is a jury trial -
13 - why the evidence is admissible and the decision is made as to why it
14 should be admitted or not.

15 Rabbani's notebooks are so bad -- at least the exhibits they
16 submitted are so bad that our expert, Dr. Joyce, had a lot of trouble figuring
17 out what was in them. We raised this issue, by the way, in the substantive
18 motion phase when we had difficulties with the qualities of Rabbani's gels in
19 the patent applications.

20 Now, in your pack of demonstratives, Mr. Schulman hasn't
21 mentioned it, but since he might in rebuttal, I'm going to mention it now.
22 Would you look at tab 4, please. I think this is going to be the basis for an
23 argument as it was in the original briefing that Notomi has no --

24 (Interruption in the proceedings.)

25 MR. BRETSCHEIDER: Judge McKelvey, are you there?

26 JUDGE MCKELVEY: Yes, I'm here.

27 MR. BRETSCHEIDER: We got something on the screen.

1 There is going to be an argument that, well, Notomi's patent
2 figures are even worse than our gels and our notebooks. Putting aside the
3 fact that that is beside the point since what is in Notomi's patents are what
4 the Patent Office printed based upon what was filed, this demonstrative is
5 misleading.

6 There is a figure 9 of Notomi patent 6,974,670, which is the
7 second Notomi patent, is illustrated. I'd like to show the Board, and with --
8 let me give a copy to Mr. Schulman. This is figure 9, the same figure of the
9 parent patent.

10 May I approach?

11 JUDGE TORCZON: Wait a minute.

12 Any objection to this?

13 MR. SCHULMAN: What are you trying to introduce? We
14 didn't argue these demonstratives. I don't know what the problem is at this
15 point.

16 MR. BRETSCHNEIDER: I'm trying to forestall rebuttal.

17 JUDGE TORCZON: Why don't we wait and see if there is
18 such an argument, and we'll worry about it then.

19 MR. BRETSCHNEIDER: Since I am not entitled to
20 surrebuttal, I figured I might as well.

21 JUDGE TORCZON: We'll surrebuttal if it is appropriate.

22 MR. BRETSCHNEIDER: Thank you, Your Honor.

23 I think that the other issues that we've discussed have been well
24 briefed. I can walk through the lab notebook pages, but I think the real issue
25 here for the Board is to determine, based upon what has been submitted,
26 what is really -- what really happened here.

1 And what really happened here is that Rabbani carried out
2 experiments which don't fit Notomi's invention, and are trying to make those
3 experiments fit Notomi's invention many years after the fact.

4 Rabbani didn't recognize that they had made Notomi's invention
5 neither as to count 1 or count 2 because they didn't make it. It is that simple.
6 The recognition requirement is significant because you can't make it up after
7 the fact. You can't go back and say, Gee, I really had it after all.

8 If, in fact, the inherency standard is going to be applied here,
9 there has to be evidence to support the fact that the only necessary inevitable
10 result of doing what is shown is the invention of the counts. There has to be
11 evidence of that, and it is rather a strong burden.

12 JUDGE McKELVEY: And you would say Dr. Joyce has the
13 complete answer to their argument?

14 MR. BRETSCHNEIDER: Dr. Joyce has a complete answer to
15 as much of their argument as he could figure out from the lab notebook
16 pages, Your Honor.

17 I do want to discuss corroboration briefly. One of the
18 difficulties with the corroboration here is that it really is, basically, that the
19 corroborators -- Mr. Fedus and Dr. Kelker -- were aware of Rabbani's
20 isothermal-amplification method.

21 The problem is Rabbani's isothermal method, from what has
22 been disclosed in Rabbani's patent applications, is not the method of count 1
23 and count 2. That is problem one. So the fact that Dr. Kelker or Mr. Fedus
24 may have seen the draft patent applications does not corroborate anything of
25 relevance to count 1 or 2.

1 There is also no indication in any of the corroborating evidence
2 that any of the non-inventors were aware of Dr. Donegan's contemporaneous
3 awareness of the invention. There is no evidence to that effect at all.

4 Another problem is that Dr. Kelker and Mr. Fedus purport to
5 state conclusions as to whether certain activities were within the scope of
6 count 1 or count 2. Those are legal conclusions to be drawn by the Board.

7 Furthermore, as to Mr. Fedus's declaration, his qualifications to
8 provide opinions are not set forth in this declaration. It is inexplicable to
9 me. His educational background is not stated. His position is stated, but we
10 don't know what kind of experience he has had. He is probably a very
11 confident person.

12 ENZO is a well-known company, but on the face of record,
13 there is no foundation for the admission of his opinions or observations.
14 They don't aid the Board in deciding any fact of consequence to this
15 proceeding. So that, to me, is one of the real problems with the
16 corroborating evidence.

17 If the Board does not have any questions, I would reserve
18 whatever time I have if the Board deems surrebuttal to be appropriate.

19 JUDGE McKELVEY: I do have two questions. Mr.
20 Bretschneider, we deferred to the priority phase and evidentiary, a motion to
21 exclude evidence left over from the substantive motion phase.

22 MR. BRETSCHNEIDER: I'm sorry?

23 JUDGE McKELVEY: If the interference is decided based on
24 suppression and concealment, I take it that motion becomes moot.

25 MR. BRETSCHNEIDER: That is probably true, Your Honor.

26 JUDGE McKELVEY: And with respect to your current motion
27 number 3.

1 MR. BRETSCHNEIDER: Yes?

2 JUDGE McKELVEY: As I see it, it raises two issues: One is a
3 motion to exclude based on suppression and concealment, and then a second
4 part that deals with the actual reduction to practice objections.

5 MR. BRETSCHNEIDER: That is correct.

6 JUDGE McKELVEY: If it goes off on suppression or
7 concealment, I take it part 2 of your motion 3, then, would moot itself.

8 MR. BRETSCHNEIDER: If the Board -- in the interest of
9 judicial economy, it might be better for the Board to decide Notomi
10 miscellaneous motion 3, but it is obviously in the Board's discretion to
11 handle these issues as it sees fit.

12 Also, there are two Rabbani motions that were deferred to the
13 priority phase. One of them, Rabbani motion 2, was to consolidate the
14 counts, and I think we briefed that rather completely in the substantive
15 motion phase.

16 JUDGE McKELVEY: That was deferred as being a live issue
17 only if they could prove priority as to one count and not the other.

18 MR. BRETSCHNEIDER: That is correct, Your Honor.

19 JUDGE McKELVEY: Or if they proved that -- if they win
20 both counts, then it is moot; if you win both counts, it is moot. It is only
21 going to be an issue if divided. I was going to ask Mr. Schulman that.

22 The other motion is to designate some of your claims as
23 corresponding. Obviously, if Notomi wins, it doesn't matter.

24 MR. BRETSCHNEIDER: That is correct, Your Honor.

25 JUDGE McKELVEY: You could have them all one patent or
26 divide them out or do whatever you have to do. That is all I have.

27 JUDGE TORCZON: Thank you.

1 MR. BRETSCHNEIDER: Thank you, Your Honor.

2 JUDGE McKELVEY: Mr. Schulman, before you get started,
3 I'm going to take up these matters I took up with Mr. Bretschneider to see if
4 we have agreement.

5 If you prevail on both counts or you lose on both counts, I take
6 it the motion to combine the counts is moot?

7 MR. SCHULMAN: It would seem a waste of everyone's time
8 at that point.

9 JUDGE McKELVEY: Would the same be true with respect to
10 designating Notomi claims if you lose both counts?

11 MR. SCHULMAN: If we lose both counts, I don't think -- I
12 agree with you.

13 JUDGE McKELVEY: And with respect to the motion 3 of
14 Notomi, as I mentioned, there are two parts of it. One deals with
15 suppression and concealment; one deals with lab notebooks and so forth.
16 Would you agree if a case is decided on suppression or concealment, the
17 second part of his motion is moot?

18 MR. SCHULMAN: Can you just refresh what is the second
19 part of it?

20 JUDGE McKELVEY: It has to do with the merits of the
21 priority.

22 MR. SCHULMAN: At that point you're saying, even if the
23 notebooks establish an actual reduction of practice, you suppressed or
24 concealed, so you're right, that would render that issue moot.

25 JUDGE McKELVEY: Or we assume you have reduced to
26 practice.

27 MR. SCHULMAN: Assume.

1 JUDGE McKELVEY: Just to be fair to you.

2 Now you can have your rebuttal. Thank you.

3 MR. SCHULMAN: Thank you. Just in terms of one
4 housekeeping issue, just would point out it was mentioned about if we got a
5 split decision.

6 And currently, the way the interference is set up, our claim 216
7 corresponds to both count 1 and count 2. So I think at some point it needs to
8 be clarified in the view of a split decision, since it is my understanding of
9 interferences, the one who wins the count gets the claims that correspond to
10 it, and the one who loses --

11 JUDGE McKELVEY: The one who loses the interference
12 doesn't get the claim. That is all the interference decides.

13 MR. SCHULMAN: So basically, then, if we had a split
14 decision, what you're saying is claim 216 is the only claim that corresponds
15 to both count 1 and count 2. A split decision is we've lost both counts
16 effectively.

17 JUDGE McKELVEY: You lost your claim. You have to go
18 from there, yes.

19 MR. SCHULMAN: So perhaps after that point, we could add
20 claims that were deemed to correspond to the count we won.

21 JUDGE McKELVEY: You can go back and argue with the
22 examiner about what is patentable.

23 MR. SCHULMAN: I look forward to it.

24 I'll just talk about a couple of rebuttal points.

25 JUDGE McKELVEY: Maybe you can talk about the inherency
26 argument. Mr. Bretschneider says no evidence. What do you have to say
27 about that?

1 MR. SCHULMAN: I've got a couple of things to say about
2 that.

3 JUDGE McKELVEY: Okay.

4 MR. SCHULMAN: First of all, here is the interesting question,
5 which is -- you know, when I was originally talking, I alluded to the fact that
6 once you design these two novel primers and put them in a system with a
7 target, that -- I know you hate the metaphor about the train leaving the
8 station, but I can't think of another one right now.

9 But based on principles of chemistry and complementariness
10 and the fact you've got your polymerase there, everything is going to go
11 ahead, and even they have acknowledged it is not going to stop.

12 If you look at this count --

13 JUDGE McKELVEY: Where did they acknowledge that? I
14 think the metaphor, if you're going to do it, the train has to reach the station
15 for you to win, not leave it.

16 MR. SCHULMAN: I think the train reaches the station, too.
17 At that point, the -- Dr. Joyce acknowledged that the primers are going to do
18 their thing, and the primers are going to react and do these reactions.

19 And here is the interesting thing. If you actually look at the
20 count -- I refer to count 1 because that is the one that does the amplification;
21 count 2 just prepares the template.

22 The only active step in that count where somebody is doing
23 something is when you're making those primers and then putting those
24 primers into a system with a hose with the polymerase and under the
25 conditions that are suitable for it to go ahead.

26 It is kind of like putting a seed in the ground and, you know,
27 putting the dirt on top of it and putting the water on it. The plant is going to

1 come up, and at that point, nobody is going to deny the plant is ever going to
2 come up.

3 It is well established in the record because, again, these primers
4 are designed based on 50, 60 years of appreciation of what
5 complementariness does under the suitable conditions.

6 And by the way, their proofs of mechanism were, in fact, the
7 same as ours. Now, I understand we have the burden of proof as the Junior
8 Party, and I'm not saying the sauce is the goose or the sauce is the gander
9 argument to say that absolves us of our burden. I know it doesn't.

10 I'm simply saying that is an indicia that these types of tests, like
11 we did with the concatemer, what we did with the restriction enzyme is an
12 indicia of the type of test that would be accepted by a person skilled in the
13 art.

14 I would just like to address a couple of other points.

15 JUDGE McKELVEY: Mr. Bretschneider says Notomi does
16 this a little different than your proofs show, especially that displacing step in
17 count 2.

18 MR. SCHULMAN: For count number 2 with the displacing
19 step, the way that -- and I've mentioned this before -- the way that count is
20 being construed right now, unless you want to put our pusher-primer claim
21 back in that was taken out, right now, you're absolutely right. Our claim 216
22 doesn't include that, so that is a difference.

23 JUDGE McKELVEY: He is saying your proofs don't include
24 doing it in the order of the count, I think.

25 MR. SCHULMAN: I would acknowledge that our proofs do
26 not include the displacement the way that the Board construed count number
27 2 to read. I'll make your job easier and acknowledge that fact to you.

1 Okay. Now, a couple of other issues that Mr. Bretschneider
2 raised. In terms of the suppression and concealment issue, you heard a lot
3 about, Well, nothing in there. All these things with third loops and, you
4 know, types of building up and these strands, annealing and expanding.
5 None of that is in the Rabbani application; therefore, it was complete
6 suppression or concealment.

7 I would simply point out that is not accurate. If you look at the
8 Rabbani patent, which is an interference, I'll give you one example in view
9 of time constraints.

10 If you look, for example, at column 33 on lines 52 to 55 of the
11 Rabbani application, we're talking about the multiplicity of bands may
12 possibly be due to the presence of the secondary structures allowing the
13 amplicons to function as primers as well as templates, or it may be an
14 indication of strand-switching.

15 So we very much talk about -- above that, we mention the
16 product of these reactions is a series of bands that form a discreet pattern.
17 This is in contrast to a single discreet band that is usually seen in PCR or the
18 two or three bands seen previously with the LC and RC primers.

19 It is not -- while it is true we didn't put in the specifics, for
20 example, like a third loop, we definitely do refer to the gels and we do refer
21 to strand-switching and what is occurring mechanistically in there. It is not
22 quite as black and white as has been presented. So that would be my first
23 point.

24 I think I made my additional point, which is the only active step
25 in this still is primers and the construction of putting them in.

26 They can't tell you anything that is being doing after the primers
27 are put in under the suitable conditions with the polymerase and with the

1 annealing occurring and the extension occurring. They can't tell you a single
2 thing they would be doing at that point. Again, it is putting the seed into the
3 ground. At that point it is --

4 JUDGE McKELVEY: Say that again.

5 MR. SCHULMAN: Once you have designed the primers, the
6 two primers with the two unique regions, and combined them with your
7 target with a polymerase under conditions suitable for both hybridization
8 and for chain extension, you are not doing anything else.

9 Again, primers don't have brains. Primers don't know, I've
10 done this first step; now I have to stop until somebody tells me. I should
11 find another site and form another loop. Primers know one thing: They
12 know the laws of thermodynamics. They know if there is a sequence
13 complementary to them somewhere, that they can anneal to and do their
14 thing and do an extension.

15 They don't know about the cute mechanisms that we can all
16 draw based on what happens. They just know they're looking for sites to
17 bind and to extend. It is not -- you cannot buy into this fiction that the
18 mechanism that has been proposed here dictates the reaction that occurs.
19 Thermodynamics and the design of the primers dictate that.

20 JUDGE TORCZON: But we do have a previous decision that
21 the earlier two Rabbani applications don't disclose the subject matter of the
22 count. So it seems to me that that ties our hands to some extent on what we
23 can find here. How can we make a fact finding that is inconsistent with that
24 decision at this point?

25 MR. SCHULMAN: I don't think you would be making a
26 decision inconsistent with the previous decision in this sense. You do have -

1 - by virtue of the evidence that we presented from our notebooks, you do
2 have some key evidence that the Board did not have before.

3 Now, since the issue before was only what the applications
4 show, we addressed it in the context of the four corners of the application.

5 Now that we've got into priority and got into notebooks and
6 became the Junior Party, we reveal the notebooks, and you've got a key
7 piece of information, which is you've seen how even before we could have
8 possibly seen anything they filed or did, we had already ourselves come up
9 with -- using the same testing techniques based on same principles that go
10 back 60 years to Watson and Craig.

11 We showed how the design of these primers in use of the
12 system dictates what those things are going to bind to and what they're going
13 to do. It is the old quote of Einstein of, If you could ask God one question,
14 what would it be? And Einstein said, How did it all start? After that,
15 everything else is mathematics.

16 JUDGE TORCZON: Well, I'm wondering, though, if we don't
17 have a catch-22, then, because essentially the argument got to be that what
18 you disclosed was what you had done, and that it is all the same thing.

19 But here is the problem then. If that is true and you had the
20 evidence all along to show it was true and you didn't show it then, and now
21 we have a finding and you had a rehearing and all of that, that is set in
22 concrete unless you get a judge to tell us otherwise, and now you're
23 presenting the evidence that shows, you know -- assuming we accept your
24 argument that it really is all the same thing and necessarily follows, how can
25 we rule in your favor on the reduction to practice without necessarily
26 contradicting the decision on benefit?

1 MR. SCHULMAN: Ultimately, I think if you do rule in our
2 favor on the reduction to practice and the lack of abandonment, suppression
3 or concealment, it would be difficult to do that consistent without overruling
4 a previous determination on the benefit. I accept your premise on that
5 particular point.

6 My point I was trying to make earlier was simply a couple of
7 things. Number one, as the quote I alluded to earlier in the patent points out,
8 these quotes were actually mentioned in the earlier phase. It is not like we
9 didn't make the arguments and point to specific disclosure here. For
10 example, the strand-switching disclosure, which do point out these things
11 happen.

12 The only thing I was trying to say is the notebook simply had
13 the mechanism written out with the loops that occur by virtue of the things
14 that were disclosed here. And I know Mr. Bretschneider has looked at it as
15 another way of, if we had it, why didn't we put it in, it was so important.

16 Our viewpoint was it cuts the other way, which is -- again, the
17 process -- no one sets out to make a third-loop structure. It is useless. The
18 whole point here is isothermal amplification, not making pretty little things
19 with 3 loops, 7 loops or 15 loops. That is not what one skilled in the art sets
20 out to do.

21 We put everything in our application to do that, and we simply
22 thought that these references and the notebooks would evidence the fact that
23 what we said all along about what has got to happen thermodynamically is
24 not just some post-litigation argument that we came up with to get after
25 Notomi; it was something we had even before we could have possibly seen
26 any of their material.

1 And that was the basis on which we thought you might be able
2 to look at that specification in a different light.

3 JUDGE McKELVEY: Now, I have a question here to follow
4 up on some of this discussion. Apparently, if I'm to believe your argument,
5 you have proofs in your priority phase that would establish the inherency of
6 the process being described in your grandparent case.

7 MR. SCHULMAN: Would further show the inherency, yes.

8 JUDGE McKELVEY: Let's just say that -- let's try to get that
9 further and talk about that a little bit.

10 MR. SCHULMAN: Okay.

11 JUDGE McKELVEY: Whatever you had presented to the
12 Board in the substantive motion phase apparently was not enough.

13 MR. SCHULMAN: Yeah, I'm aware.

14 JUDGE McKELVEY: If you have additional evidence that this
15 matter is inherent -- clearly, you have the evidence. You could have
16 presented it earlier.

17 MR. SCHULMAN: The picture -- we could have presented the
18 --

19 JUDGE McKELVEY: Now, let's say that that is so. Now, had
20 you presented it earlier and had the Board rule in your favor, can't you agree
21 that maybe Notomi would have known then that it might have had to put on
22 a priority case to get around you because it was Junior Party?

23 MR. SCHULMAN: Understand what you're saying.

24 JUDGE McKELVEY: So by coming in now, isn't there a
25 serious prejudice to Notomi in connection with the benefit issue?

26 MR. SCHULMAN: I think it goes back to Judge Torczon's
27 point of it would be difficult to rule in our favor without the reversal of the

1 decision concerning the benefit. You either accept it was inherent or you
2 don't.

3 I would also say --

4 JUDGE McKELVEY: No. You -- at the substantive motion
5 phase, you had a certain burden of proof. And let's say you didn't make it
6 because you didn't put this additional evidence in.

7 MR. SCHULMAN: Understood what you're saying.

8 JUDGE McKELVEY: Now we come along and we say, Okay,
9 maybe there is this evidence. You didn't put it in. Had you put it in and had
10 we ruled the other way, Notomi would have had a different litigation
11 decision to make.

12 MR. SCHULMAN: That would be a problem for a simple
13 reason. The simple reason is that the earliest priority date asserted by
14 Notomi is still after our first application.

15 JUDGE McKELVEY: In their primary statement?

16 MR. SCHULMAN: Yes.

17 JUDGE McKELVEY: So they wouldn't have been able to put a
18 case on --

19 MR. SCHULMAN: Do it anyway. So that wouldn't have been
20 an issue.

21 JUDGE McKELVEY: That is an answer. Thank you.

22 MR. SCHULMAN: Unless there is some burning questions
23 you want to ask me about anything, I don't think I -- in terms of the quality
24 of the notebooks, you can see that for yourselves.

25 And I think just in terms of the corroboration issue and the use
26 of present versus past tense, I think if you look at the totality of those

1 declarations, it is very clear the corroborators were talking about
2 contemporaneous recognition.

3 That is it for me otherwise.

4 JUDGE McKELVEY: Thank you.

5 JUDGE TORCZON: Thank you.

6 JUDGE McKELVEY: Mr. Bretschneider, I take it there is no
7 surreply.

8 MR. BRETSCHNEIDER: No, Your Honor, there is not.

9 JUDGE McKELVEY: We want to thank everybody for
10 coming today and bearing with us as we work our way through this. So I'll
11 close the hearing and excuse you folks, and my colleagues and I will talk a
12 little bit.

13 MR. BRETSCHNEIDER: Thank you, Your Honor.

14 MR. SCHULMAN: Thank you.

15 (Whereupon, the proceedings at 3:29 p.m. were concluded.)
16

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